

SENATE BILL 2100

By Dickerson

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 4, Part 7, relative to business taxes.

WHEREAS, it is the intent of the General Assembly to clarify the nontaxability of transfers of advertising between producers, advertising agencies, and customers under the Business Tax Act, compiled in title 67, chapter 4, part 7; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-702(a)(18)(B), is amended by inserting the following language after the words "another retailer":

, or the transfer of services or tangible personal property from an advertising agency to an advertising agency client when the advertising agency is acting as the agent of the client in purchasing media time, space, placement, or goods and when there is a contract standard in the advertising industry between the advertising agency and the advertising agency client for the advertising agency to act as a purchasing agent,

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.